

**GOVERNMENT OF ANDHRAPRADESH**  
**ABSTRACT**

P.E. Department- Nizam Sugars Limited (NSL) – Deposit of sale proceeds in P.D Account – Request for Adjustment of amounts in P.D Account against VRS Loan – By way of book adjustment – administrative sanction – Orders – Issued.

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**PUBLIC ENTERPRISES (I) DEPARTMENT**

**G.O.Ms.No 7**

Dated:12 .06.2012  
Read the following:

1. G.O.Ms.No.5, Public Enterprises (1) Dept., dated:27-01-2001.
2. G.O.Ms.No.26, Public Enterprises (1) Dept., dated:16-07-2002.
3. G.O.Ms.No.9, Public Enterprises (1) Dept., dated:25-01-2003.
4. G.O.Ms.No.12, Public Enterprises (1) Dept., dated:21-02-2003.
5. G.O.Ms.No.18, Public Enterprises (1) Dept., dated:28-02-2003.
6. G.O.Ms.No.37, Public Enterprises (1) Dept., dated:17-06-2003.
7. G.O.Ms.No.38, Public Enterprises (1) Dept., dated:17-06-2003.
8. G.O.Ms.No.41, Public Enterprises (1) Dept., dated:04-07-2003.
9. G.O.Ms.No.12, Public Enterprises (1) Dept., dated:05-07-2003.
10. G.O.Ms.No.52, Public Enterprises (1) Dept., dated:30-08-2003.
11. G.O.Ms.No.64, Public Enterprises (1) Dept., dated:16-10-2003.
12. G.O.Ms.No.74 Public Enterprises (1) Dept., dated:29-12-2003.
13. G.O.Ms.No.12, Public Enterprises (1) Dept., dated:10-08-2004.
14. From the Managing Director, Nizam Sugars Limited (NSL) Hyderabad, Letter No.HACT/FIN/711, dated 01.12.2009.
15. From the Managing Director, Nizam Sugars Limited (NSL) Hyderabad, Letter No.HACT/FIN/51, dated 04.02.2011.

**ORDER:**

Government have sanctioned an amount of Rs.72,39,07,081/- (Seventy two crores thirty nine lakhs seven thousand and eighty one only) as an interest bearing loan @ 15% per annum to the Nizam Sugars Limited (NSL), Hyderabad towards payment of VRS (ex-gratia) benefits to its employees vide Government Orders 1<sup>st</sup> to 13<sup>th</sup> read above.

During the process of privatization of SLPEs, as part of Public Enterprise Reform Programme of Government A.P, Implementation Secretariat (IS) in Public Enterprises Department (PED) received funds from the sale of assets of SLPEs in trust for the enterprise and the funds were utilized in the privatization of completing the transaction. Implementation Secretariat in Public Enterprises Department released sale proceeds to NSL required for discharge of secured loans to Financial Institutions and other and the remaining amount was retained by IS and deposited in Government P.D Account. The sale proceeds realized by IS, PED pertaining to NSL amounting Rs.25,62,03,113/- deposited in Government Account under head of account “8449-OTHERS DEPOSITS-120-MISCELLANEOUS DEPOSITS-SUB HEAD-99- OTHER DEPOSITS”

The General Manager (Finance), NSL has informed that out of the VRS loan amount of Rs. 72,39,07,081/- released by Government of AP to NSL, an amount of Rs.47.11 crores (Rs. 44.07 crores paid earlier + Rs.3.04 crores paid during 2010-11 & 2011-12) was repaid by NSL leaving a balance of Rs.25.28 crores.

The M.D, Nizam Sugars Limited in the reference 14<sup>th</sup> read above has stated that Implementation Secretariat (IS) in PED collected sale proceeds of assets of NSL sold as a part of the privatization process and the amount thus retained by IS, PED was of the order of Rs. 25,62,03,113/- and requested the Govt. to adjust the amounts retained by IS, PED against the VRS loan amount due by NSL, which would result in savings in the incidence of interest to the tune of Rs.3.74 crores p.a to NSL.

Government after careful examination of the matter hereby accord administrative sanction for adjusting an amount of Rs. 25,62,03,113/- (twenty five crores sixty two lakhs three thousand one hundred and thirteen only) against the loan account by way of book adjustment treating an amount of Rs. 25,62,03,113/- as repayment of loans by the NSL to the State Government. The above amount shall be credited to the loan receipts Head of Account i.e MH. "6875 Loans for other Industries - 60- Other Industries - MH.190 – Loans to Public Sector and Other Undertakings SH (04) – Loans to other Companies for implementing VRS" 001. Loans to other companies for implementing VRS and debit from the deposit head of account "8449-OTHERS DEPOSITS-120-MISCELLANEOUS DEPOSITS-SUB HEAD-99- OTHER DEPOSITS".

The Accountant General (A&E), Andhra Pradesh, Hyderabad is requested to make the necessary book adjustments by proposing transfer entries under the head of accounts mentioned in para ( 5 ) above.

The M.D, NSL Hyderabad shall take necessary action for adjusting the above amount in the accounts of the Accountant General, Andhra Pradesh, Hyderabad.

This order issues with the concurrence of Finance (Exp:Ind & Com) Dept., vide their U.O.No.29087/437/11, dated:26-12-2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**VINOD K. AGRAWAL**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To  
The M.D, NSL Hyderabad.  
The A.G. A.P, Hyderabad.  
Copy to:  
The Financ (Exp:Ind & Com) Dept.,  
P.S to Prl. Secretary to Hon'ble C.M  
P.S to Prl. Secretary to Govt. P.E Dept.,  
The Pay and Accounts Officer, Hyderabad.  
The Director of Treasuries & Accounts, Hyderabad.  
SF/SC

**//FORWARDED BY: ORDER//**

**SECTION OFFICER**